



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We make Indiana a cleaner, healthier place to live.

Joseph E. Kernan
Governor

Lori F. Kaplan
Commissioner

February 20, 2004

100 North Senate Avenue
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(317) 232-8603
(800) 451-6027
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TO: Interested Parties / Applicant

RE: Carmax Autosuperstores, Inc. / 057-18466-00063

FROM: Paul Dubenetzky
Chief, Permits Branch
Office of Air Quality

Notice of Decision – Approval

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision regarding the enclosed matter. Pursuant to 326 IAC 2, this approval was effective immediately upon submittal of the application.

If you wish to challenge this decision, IC 4-21.5-3-7 requires that you file a petition for administrative review. This petition may include a request for stay of effectiveness and must be submitted to the Office of Environmental Adjudication, 100 North Senate Avenue, Government Center North, Room 1049, Indianapolis, IN 46204, **within eighteen (18) calendar days from the mailing of this notice**. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

- (1) the date the document is delivered to the Office of Environmental Adjudication (OEA);
- (2) the date of the postmark on the envelope containing the document, if the document is mailed to OEA by U.S. mail; or
- (3) The date on which the document is deposited with a private carrier, as shown by receipt issued by the carrier, if the document is sent to the OEA by private carrier.

The petition must include facts demonstrating that you are either the applicant, a person aggrieved or adversely affected by the decision or otherwise entitled to review by law. Please identify the permit, decision, or other order for which you seek review by permit number, name of the applicant, location, date of this notice and all of the following:

- (1) the name and address of the person making the request;
- (2) the interest of the person making the request;
- (3) identification of any persons represented by the person making the request;
- (4) the reasons, with particularity, for the request;
- (5) the issues, with particularity, proposed for considerations at any hearing; and
- (6) identification of the terms and conditions which, in the judgment of the person making the request, would be appropriate in the case in question to satisfy the requirements of the law governing documents of the type issued by the Commissioner.

If you have technical questions regarding the enclosed documents, please contact the Office of Air Quality, Permits Branch at (317) 233-0178. Callers from within Indiana may call toll-free at 1-800-451-6027, ext. 3-0178.

Enclosures
FNPER-AM.dot 9/16/03

February 20, 2004

Ms. Patricia Gangwer
Carmax Autosuperstores, Inc.
5020 Sadler Place
Glen Allen, VA 23060

Dear Ms. Gangwer:

Re: Exempt Construction and Operation Status,
057-18466-00063

The application from Carmax Autosuperstores, Inc., received on February 2, 2004, has been reviewed. Based on the data submitted and the provisions in 326 IAC 2-1.1-3, it has been determined that the following emission units, to be located at 9750 North Gray Road, Indianapolis, Indiana, are classified as exempt from air pollution permit requirements:

- (a) One (1) spray paint booth for performing touch-up surface coating on automobiles.
- (b) One (1) fuel dispensing station, with an underground storage tank, with a storage capacity of 12,000 gallons and annual throughput of 72,000 gallons.

The following conditions shall be applicable:

- (1) Pursuant to 326 IAC 5-1-2 (Opacity Limitations) except as provided in 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), opacity shall meet the following:
 - (a) Opacity shall not exceed an average of forty percent (40%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
 - (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of 15 minutes (60 readings) in a 6-hour period as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor in a six (6) hour period.
- (2) Pursuant to 326 IAC 8-4-6(b):
 - (a) No owner or operator of a gasoline dispensing facility shall allow the transfer of gasoline between any transport and any storage tank unless such tank is equipped with the following:
 - (1) A submerged fill pipe.
 - (2) Either a pressure relief valve set to release at no less than seven-tenths (0.7) pounds per square inch or an orifice of five-tenths (0.5) inch in diameter.
 - (3) A vapor balance system connected between the tank and the transport, operating according to the manufacturer's specifications.
 - (b) If the owner or employees of the owner of a gasoline dispensing facility are not present during loading, it shall be the responsibility of the owner or operator of the transport to make certain the vapor balance system is connected between the transport and the storage tank is operating according to manufacturer's specifications.

- (c) Upon request by the agency, the owner or operator of a gasoline dispensing facility which claims to be exempt from the requirements of this section shall submit records to the agency within thirty (30) calendar days from the date of the request which demonstrates that the gasoline dispensing facility is in fact exempt.
- (3) Pursuant to 326 IAC 12-1 and 40 CFR 60.116:
 - (a) The owner or operator of the storage tank shall keep readily accessible records showing the dimension of the storage vessel and an analysis showing the capacity of the storage vessel.
 - (b) The owner or operator shall keep copies of the records in (a) above for the life of the source.
- (4) Any change or modification which may increase the potential to emit of a single Hazardous Air Pollutant (HAP) to ten (10) tons per year or greater, or that of Volatile Organic Compounds (VOC) or any combination of HAPs to twenty-five (25) tons per year or greater shall require prior approval of the Office of Air Quality (OAQ).

This exemption is the first air approval issued to this source.

An application or notification shall be submitted in accordance with 326 IAC 2 to the Office of Air Quality (OAQ) if the source proposes to construct new emission units, modify existing emission units, or otherwise modify the source.

Sincerely,

Original signed by Paul Dubenetzky

Paul Dubenetzky, Chief
Permits Branch
Office of Air Quality

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cc: File - Hamilton County
Hamilton County Health Department
Air Compliance – Marc Goldman
Technical Support and Modeling - Michele Boner
Compliance Data Section - Karen Nowak

**Indiana Department of Environmental Management
Office of Air Quality**

Technical Support Document (TSD) for an Exemption

Source Background and Description

Source Name:	Carmax Autosuperstores, Inc.
Source Location:	9750 North Gray Road, Indianapolis, IN 46280
County:	Hamilton
SIC Code:	5511
Operation Permit No.:	057-18466-00063
Permit Reviewer:	Madhurima D. Moulik

The Office of Air Quality (OAQ) has reviewed an application from Carmax Autosuperstores, Inc. relating to the construction and operation of an auto dealership.

Emission Units and Pollution Control Equipment

The source consists of the following emission units and pollution control devices:

- (a) One (1) spray paint booth for performing touch-up surface coating on automobiles.
- (b) One (1) fuel dispensing station, with an underground storage tank, with a storage capacity of 12,000 gallons and annual throughput of 72,000 gallons.

Enforcement Issue

There are no enforcement actions pending.

Recommendation

The staff recommends to the Commissioner that the construction and operation be approved. This recommendation is based on the following facts and conditions:

Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

An application for the purposes of this review was received on February 2, 2004, with additional information received on February 4, 2004, and February 9, 2004.

Emission Calculations

The source performs touch-up painting of automobiles. Source submitted emissions data related to a similar facility owned by Carmax Autosuperstores in Laurel, Maryland, which has the most productive spray booth. Summary of emissions at Carmax #7118 at Laurel, Maryland, is attached as Appendix A.

Total VOC emissions (at Laurel, Maryland Carmax) = 1781.79 pounds per year = 0.89 tons per year.

Assuming HAP = VOC, combined HAP emissions = 0.89 tons per year.

This source has an underground storage tank for gasoline, with a storage capacity of 12,000 gallons. Tank Emissions are estimated to be negligible.

Potential to Emit of the Source Before Controls

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as "the maximum capacity of a stationary source or emissions unit to emit any air pollutant under its physical and operational design. Any physical or operational

limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed shall be treated as part of its design if the limitation is enforceable by the U.S. EPA, the department, or the appropriate local air pollution control agency.”

Pollutant	Potential to Emit (tons/yr)
PM	0.07
PM-10	0.07
SO ₂	Negligible
VOC	0.89
CO	Negligible
NO _x	Negligible

HAPs	Potential to Emit (tons/yr)
Single HAP	<10
Total	<25

- (a) The potential to emit (as defined in 326 IAC 2-7-1(29)) of pollutants are less than the levels listed in 326 IAC 2-1.1-3(d)(1). Therefore, the source is subject to the provisions of 326 IAC 2-1.1-3. An exemption will be issued.
- (b) The potential to emit (as defined in 326 IAC 2-7-1(29)) of any single HAP is less than ten (10) tons per year and/or the potential to emit (as defined in 326 IAC 2-7-1(29)) of a combination of HAPs is less than twenty-five (25) tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-1.1-3. An exemption will be issued.

County Attainment Status

The source is located in Hamilton County.

Pollutant	Status
PM-10	Attainment
SO ₂	Attainment
NO ₂	Attainment
Ozone	Attainment
CO	Attainment
Lead	Attainment

- (a) Volatile organic compounds (VOC) are precursors for the formation of ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. Hamilton County has been designated as attainment or unclassifiable for ozone. Therefore, VOC emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2. See the State Rule Applicability for the source section.
- (b) Hamilton County has been classified as attainment or unclassifiable for all other criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2. See the State Rule Applicability for the source section.

Part 70 Permit Determination

326 IAC 2-7 (Part 70 Permit Program)

This new source is not subject to the Part 70 Permit requirements because the potential to emit (PTE) of:

- (a) each criteria pollutant is less than 100 tons per year,

- (b) a single hazardous air pollutant (HAP) is less than 10 tons per year, and
- (c) any combination of HAPs is less than 25 tons per year.

This is the first air approval issued to this source.

Federal Rule Applicability

- (a) The underground gasoline storage tank at this car dealership is not subject to the requirements of the New Source Performance Standards (NSPS, Subpart Kb) –Standards of Performance for Volatile Organic Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) for Which Construction, Reconstruction, or Modification Commenced After July 23, 1984, because the storage tank has a storage capacity of 45 m³, which is below the applicability threshold of 75 m³.
- (b) The underground gasoline storage tank at this car dealership is not subject to the requirements of the National Emission Standards for Hazardous Air Pollutants (NESHAP), Subpart R – Standards for Gasoline Distribution Facilities (Bulk Gasoline Terminals and pipeline Breakout Stations) since the tank has a storage capacity of 45 m³, which is below the applicability threshold of 75 m³ for storage tank requirements.
- (c) The surface coating operation at this car dealership is not subject to the requirements of the National Emission Standards for Hazardous Air Pollutants (NESHAP), Subpart M – Standards of Performance for Miscellaneous Metal Parts and Products Surface Coating Operations, since it is not a major source for HAPs.

State Rule Applicability – Entire Source

326 IAC 2-2 (Prevention of Significant Deterioration)

The potential to emit of all criteria pollutants at this source are less than 250 tons per year, and it is not one of the twenty-eight (28) listed source categories. Therefore, 326 IAC 2-2 does not apply.

326 IAC 2-6 (Emission Reporting)

This source is located in Hamilton County and the potential to emit of all criteria pollutants is less than one hundred (100) tons per year. Therefore, 326 IAC 2-6 does not apply.

326 IAC 2-4.1 (Major Sources of Hazardous Air Pollutants (HAP))

The operation of the surface coating booth and fuel dispensing station will emit less than 10 tons per year of a single HAP or 25 tons per year of a combination of HAPs. Therefore, 326 IAC 2-4.1 does not apply.

326 IAC 5-1 (Visible Emissions Limitations)

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), opacity shall meet the following, unless otherwise stated in the permit:

- (a) Opacity shall not exceed an average of forty percent (40%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings) as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

State Rule Applicability – Individual Facilities

326 IAC 6-3-2 (Process Operations)

This source uses less than 5 gallons of coating per day. Therefore, it is exempt from the requirements of 326 IAC 6-3-2.

326 IAC 8-2-9 (Miscellaneous Metal Coating)

This source is involved in surface coating as part of automobile refinishing. Therefore, pursuant to 326 IAC 8-2-9(b)(3), this source is not subject to the requirements of 326 IAC 8-2-9.

326 IAC 8-4-3 (Petroleum Liquid Storage Facilities)

The petroleum storage tank at this source is not subject to 326 IAC 8-4-3, because the storage capacity of 12,000 gallons is below the 39,000 gallon applicability threshold.

326 IAC 8-4-6 (Petroleum Sources: Gasoline Dispensing Facilities)

This source installed the gasoline storage tank after July 1, 1989, and is not located at a farm or private residence. Therefore, even though the monthly gasoline throughput is less than 10,000 gallons, pursuant to 326 IAC 8-4-1(e) and (f), it is subject to the requirements of Section 6 of this rule. This source meets the definition of "gasoline dispensing facility" as specified in 326 IAC 8-4-6(a)(8) as it dispenses gasoline into motor vehicle fuel tanks from a storage tank with capacity of more than 575 gallons.

Pursuant to 326 IAC 8-4-6(b):

- (a) No owner or operator of a gasoline dispensing facility shall allow the transfer of gasoline between any transport and any storage tank unless such tank is equipped with the following:
 - (1) A submerged fill pipe.
 - (2) Either a pressure relief valve set to release at no less than seven-tenths (0.7) pounds per square inch or an orifice of five-tenths (0.5) inch in diameter.
 - (3) A vapor balance system connected between the tank and the transport, operating according to the manufacturer's specifications.
- (b) If the owner or employees of the owner of a gasoline dispensing facility are not present during loading, it shall be the responsibility of the owner or operator of the transport to make certain the vapor balance system is connected between the transport and the storage tank is operating according to manufacturer's specifications.
- (c) Upon request by the agency, the owner or operator of a gasoline dispensing facility which claims to be exempt from the requirements of this section shall submit records to the agency within thirty (30) calendar days from the date of the request which demonstrates that the gasoline dispensing facility is in fact exempt.

326 IAC 8-1-6 (VOC Rules: General Reduction Requirements)

The emission units at this source have potential VOC emissions of less than 25 tons per year each. Therefore, this source is not subject to the requirements of 326 IAC 8-1-6.

326 IAC 12-1 (New Source Performance Standards)

Pursuant to 326 IAC 12-1, the gasoline storage tank at this source is subject to NSPS (40 CFR 60, Subpart Kb) – Standards of Performance for Volatile Organic Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) for Which Construction, Reconstruction, or Modification Commenced After July 23, 1984, since the tank has a storage capacity of 45 m³, which is above the previous applicability threshold of 40 m³ for storage tank requirements (which was raised to 75 m³ on October 15, 2003).

Pursuant to 40 CFR 60.110b, the storage tank, with a capacity of less than 75 m³, is subject to the requirements of 40 CFR 60.116(a) and (b) only. Pursuant to 40 CFR 60.116:

- (a) The owner or operator of the storage tank shall keep readily accessible records showing the dimension of the storage vessel and an analysis showing the capacity of the storage vessel.
- (b) The owner or operator shall keep copies of the records in (a) above for the life of the source.

Conclusion

The construction and operation of this car dealership shall be subject to the conditions of the Exemption No.: 057-18466-00063.

**Appendix A: Emissions Calculations
VOC and Particulate
From Surface Coating Operations**

Company Name: Carmax Autosuperstores, Inc.
Address City IN Zip: 9750 North Gray Road, Indianapolis, IN 46280
Permit Number: 057-18466
Plt ID: 057-00063
Reviewer: Madhurima D. Moulik
Date: 10-Feb-04

Material	Density (Lb/Gal)	Weight % Volatile (H2O & Organics)	Weight % Water	Weight % Organics	Volume % Water	Volume % Non-Volatiles (solids)	Gal of Mat. (gal/year)	Pounds VOC per gallon of coating less water	Pounds VOC per gallon of coating	Potential VOC tons per year	Particulate Potential (ton/yr)	lb VOC/gal solids	Transfer Efficiency
AU01-Primer	6.8	94.10%	0.0%	94.1%	0.0%	5.90%	3.17000	6.38	6.38	0.01	0.00	108.14	75%
AU02-Primer	12.4	49.71%	0.0%	49.7%	0.0%	50.29%	7.93000	6.15	6.15	0.02	0.01	12.24	75%
AU03-Additives	8.3	60.83%	0.0%	60.8%	0.0%	39.17%	22.00000	5.02	5.02	0.06	0.01	12.81	75%
AU04-Clear additives	7.8	69.29%	0.0%	69.3%	0.0%	30.71%	43.98000	5.42	5.42	0.12	0.01	17.64	75%
AU05-Additives	7.7	63.29%	0.0%	63.3%	0.0%	36.71%	16.38000	4.86	4.86	0.04	0.01	13.24	75%
AU06-Additives	7.0	95.17%	0.0%	95.2%	0.0%	4.83%	22.58000	6.65	6.65	0.08	0.00	137.73	75%
AU08-Tints	8.3	58.53%	0.0%	58.5%	0.0%	41.47%	15.06000	4.86	4.86	0.04	0.01	11.71	75%
AU09-Tints	8.2	62.03%	0.0%	62.0%	0.0%	37.97%	11.09000	5.07	5.07	0.03	0.00	13.36	75%
AU10-Tints	9.2	59.63%	0.0%	59.6%	0.0%	40.37%	26.15000	5.49	5.49	0.07	0.01	13.59	75%
AU11-Tints	8.3	72.19%	0.0%	72.2%	0.0%	27.81%	14.00000	5.96	5.96	0.04	0.00	21.42	75%
AU12-Tints	8.2	77.68%	0.0%	77.7%	0.0%	22.32%	15.59000	6.39	6.39	0.05	0.00	28.64	75%
AU17-Thinners	7.0	98.32%	0.0%	98.3%	0.0%	1.68%	99.20000	6.84	6.84	0.34	0.00	407.33	75%

State Potential Emissions

Add worst case coating to all solvents

PTE (tons/yr) =

0.89

0.07

METHODOLOGY

Pounds of VOC per Gallon Coating less Water = (Density (lb/gal) * Weight % Organics) / (1-Volume % water)
Pounds of VOC per Gallon Coating = (Density (lb/gal) * Weight % Organics)
Potential VOC Tons per Year = Pounds of VOC per Gallon coating (lb/gal) * Gal/yr usage * (1 ton/2000 lbs)
Particulate Potential Tons per Year = Gal/yr * (lbs/gal) * (1- Weight % Volatiles) * (1-Transfer efficiency) *(1 ton/2000 lbs)
Total = Worst Coating + Sum of all solvents used